

FISCAL NOTE

Bill #: HB0060

Title: Indoor cleanup standards for methamphetamine labs

Primary Sponsor: Harris, C

Status: Second Reading - Revised

Sponsor signature

Date

David Ewer, Budget Director

Date

Fiscal Summary

	<u>FY 2006 Difference</u>	<u>FY 2007 Difference</u>
Expenditures:		
General Fund	\$131,397	\$125,762
Revenue:		
General Fund	\$7,500	\$7,500
Net Impact on General Fund Balance:	(\$123,897)	(\$118,262)

- | | |
|---|--|
| <input type="checkbox"/> Significant Local Gov. Impact | <input type="checkbox"/> Technical Concerns |
| <input type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts |
| <input type="checkbox"/> Dedicated Revenue Form Attached | <input checked="" type="checkbox"/> Needs to be included in HB 2 |

Fiscal Analysis

ASSUMPTIONS:

1. Department of Environmental Quality (DEQ)

- This bill will require a new program within the Department of Environmental Quality (DEQ) as it is targeted towards indoor air quality.
- DEQ will require 1.50 FTE to provide the services required to implement this bill.
- One FTE will be an Occupational Health and Safety Specialist, pay band 6, responsible for: approving training courses and testing materials for contractors and their employees, providing training and/or administering tests to certify the contractors, reviewing clean-up reports, reviewing and approving course curricula, serving as liaison for the department between the Department of Justice (DOJ) and local health officers regarding contaminated sites, completing the administrative rule process; and interacting with state and federal counterparts. It is estimated that personal services, including salaries and benefits for this technical position would cost \$51,827 for FY 2006 and \$51,827 for FY 2007.
- The next 0.50 FTE will perform grant writing to seek revenue to help fund the program, manage the required database and website, and will perform administrative functions in support of this legislation. The targeted hire date of this position is October 1, 2005 so it is budgeted at 0.38 FTE in FY 2006 and 0.50 in FY 2007. This position would be an Administrative Assistant, pay band 4. It is estimated that personal

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services, including salary and benefits for this administrative position would cost \$13,093 for FY 2006 and \$17,457 in FY 2007.

6. It is assumed the DEQ will utilize staff attorneys to write the rules.
7. Although the effective date is October 1, 2005, DEQ would begin to work toward implementation of the provisions in this bill on July 1, 2005.
8. Operating expenses to support the FTE and their activities are as follows:
 - a. Contracted services: To gain a better understanding of the type and concentration of contaminants found at methamphetamine lab sites and to help determine the efficacy of cleanup efforts, the department will hire certified contractors to oversee remediation of contaminated property, including sampling, analysis, and report writing. Two oversight inspections will be performed per year with an estimated contract of \$10,000. Laboratory analytical services will be \$3,000 each year.
 - b. Database modification and annual maintenance and upgrades and Website, FY 2006-\$8,000, FY 2007-\$4,000.
 - c. Administrative rules will be needed to establish minimum standards for the training and certification of contractors in FY 2006 with updates in FY 2007 \$500 each year. Photocopies \$500 each year.
 - d. Supplies for staff, including computer and office set-up FY 2006-\$9,346, FY 2007-\$2,300
 - e. Communications, telephones and postage \$3,800 each year
 - f. The Occupational Health and Safety Specialist will travel extensively both in and out of state during the first two years of administering this legislation to perform outreach, provide and attend training, conduct research, inspections and program development. \$8,750 each year.
 - g. Rent \$6,000 each year
 - h. Fees to attend training for the staff will be \$1,000 each year
 - i. Agency indirect costs are assessed at 24 percent of personal services \$15,581-FY 2006 and \$16,628-FY 2007
9. Total operating expenses FY 2006-\$66,477, FY 2007-\$56,478
10. Section 4 provides the department the ability to assess reasonable fees to cover the state's costs of providing training, testing and certification. It is difficult at this point to accurately estimate these fees, however, they are not anticipated to cover a large fraction of the total costs of this program. For purposes of this fiscal note, we are estimating that 15 contractor and local health officials will become certified and that the fees will be \$500 for annual revenue of \$7,500 per year. The proposed legislation does not establish a state special revenue account in which to deposit fees. Therefore, it is assumed that the fees will be deposited in the general fund and the costs associated with this bill will be supported from the general fund.

FISCAL IMPACT:

	FY 2006 <u>Difference</u>	FY 2007 <u>Difference</u>
FTE	1.38	1.50
<u>Expenditures:</u>		
Personal Services	\$64,920	\$69,284
Operating Expenses	<u>\$66,477</u>	<u>\$56,478</u>
TOTAL	\$131,397	\$125,762

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Funding of Expenditures:

General Fund (01)	\$131,397	\$125,762
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Revenues:

General Fund (01)	\$7,500	\$7,500
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Net Impact to Fund Balance (Revenue minus Funding of Expenditures):

General Fund (01)	(\$123,897)	(\$118,262)
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